REMARKS

Applicant has carefully studied the outstanding Official Action. The present response is intended to be fully responsive to all points of rejection raised by the Examiner and is believed to place the application in condition for allowance. Favorable reconsideration and allowance of the application is respectfully requested.

The application as examined included claims 11 - 14, 16 - 17, 19 - 20 and 23 - 30. Claims 1 - 10, 15, 18 and 21 - 22 were previously cancelled. In the present response, none of the claims are amended.

Claims 11 - 14, 16, 19 - 20 and 25 - 29 stand rejected under 35 U.S.C. 102(e) as being anticipated by Hobson (U.S. Patent No. 7,292,999).

Claims 17 and 30 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Hobson in view of Zampese (U.S. Patent No. 6,014,650). Claim 23 stands rejected under 35 U.S.C. 103(a) as being unpatentable over Hobson in view of Spear (U.S. Patent No. 7,752,134). Claim 24 stands rejected under 35 U.S.C. 103(a) as being unpatentable over Hobson in view of Bellosguardo (U.S. Patent No. 7,222,097).

Hobson describes an online card-present transaction system facilitating card-present type transactions with a merchant over a public network. A host system is configured to accept authentication data from a user via an authentication device. The host system, after authenticating a user, is configured to retrieve the user's account information from a user database system and translate a user account number into a temporary transaction number. The temporary transaction number is then transmitted directly from the host system to the merchant, thereby eliminating the need for the user to send to the merchant over the internet, the user's transaction account number.

Zampese describes a system and method of implementing a secure purchase management system wherein a unique account code is assigned to a purchaser, a set of secret transaction codes are provided to the purchaser, one secret transaction code to be used for each individual purchase to be made by the purchaser, and each purchase request from a purchaser is verified to make sure it includes the purchaser's account code and a transaction code which has not been used before to thereby prevent unauthorized purchases and fraud.

Spear describes a hybrid credit card transaction system that processes

transactions as either virtual standard transactions directed through a clearinghouse or as virtual closed loop transactions bypassing the clearinghouse. Bellosguardo describes an anonymous credit card having a unique identification number and a card value, which is exhausted when the cash amount of the card is expended. The card is sold by a first vendor and accepted by a second vendor when presented by the user. It is managed by an issuing institution, which verifies the presence of sufficient funds to cover the cost charged and deducts the charge cost from the card value.

 As noted above, claim 11 stand rejected as being anticipated by Hobson. In rejecting claim 11, the Examiner writes:

> "As to claim 11, Hobson shows an input device (Hobson: col. 6, lines 38-59) receiving prepaid card identification indicia (Hobson: col. 8, lines 61-67; and col. 9, line 1), in a form different from a credit card number (Hobson: col. 13, lines 1-16), from a prepaid card issued to a customer by a prepaid card issuer when said prepaid card is presented in payment by said customer (Hobson: col. 14, lines 61-67), **said prepaid card <u>issuer</u> having a credit card account identified by a credit card number (Hobson: col. 5, lines 5-11)**; and a processor, identifying said credit card number by using said prepaid card identification indicia, said credit card number being different from said prepaid card identification indicia, and communicating said credit card number to a credit card server which processes a credit card transaction, charging said payment to said credit card account (Hobson: col. 5, lines 5-11; col. 14, lines 40-67; col. 15, lines 1-32; and col. 16, lines 14-16)." (Office Action, Section 4, paragraph bridging pages 3 and 4, emphasis added)

 Applicant respectfully disagrees. As applied by the Examiner to claim 11, the host system 300 of Hobson operates as a prepaid card issuer. However, in contrast to the prepaid card issuer recited in claim 11, where the **prepaid card <u>issuer</u> has a credit card account identified by a credit card number,** the host system 300 of Hobson does not have a credit card account identified by a credit card number. Rather, in the system of Hobson, the **credit card account of the <u>user</u>** is identified by a credit card number entered by the user (Hobson, col. 5, lines 8-11). In contrast to the point of

6

sale terminal of the present invention, as recited in claim 11, Hobson does not show or suggest communicating **a credit card number belonging to** <u>a prepaid card issuer</u> to a credit card server which processes a credit card transaction charging a payment to the credit card number belonging to the prepaid card issuer.

Neither Zampese nor Spear nor Bellosguardo, either alone or in combination, show or suggest a prepaid card issuer having a credit card account identified by a credit card number and communicating the credit card number belonging to a prepaid card issuer to a credit card server which processes a credit card transaction charging a payment to the credit card number belonging to the prepaid card issuer.

Applicant therefore respectfully submits that none of the cited prior art, either alone or in combination, show or suggest the Point of Sale (POS) terminal of the present invention, as recited in claim 11, including, inter alia, an input device, receiving prepaid card identification indicia, in a form different from a credit card number, from a prepaid card issued to a customer by a prepaid card issuer when the prepaid card is presented in payment by the customer, where **the prepaid card issuer has a credit card account identified by a credit card number,** and a processor, identifying the credit card number using the prepaid card identification indicia, where the credit card number is different from the prepaid card identification indicia, and **communicating the credit card number to a credit card server which processes a credit card transaction, charging the payment to the credit card account of the prepaid card issuer.** Claim 11 is therefore patentable.
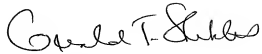
Claims 12 - 14, 16 - 17, 19 - 20 and 23 - 30 each depend directly or ultimately from claim 11 and are also patentable.

Applicant reserves the right to pursue the claims as filed in the context of a continuation application.

Applicant hereby requests reconsideration and reexamination thereof.

With the above amendments and remarks, this application is considered ready for allowance and Applicant earnestly solicits an early notice of same. Should the Examiner be of the opinion that a telephone conference would expedite prosecution of the subject application, he is respectfully requested to call the undersigned at the below listed number.

Respectfully submitted,

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Gerald T Shekleton
Reg. No. 27,466
Husch Blackwell Welsh Katz
120 South Riverside Plaza, 22nd Floor
Chicago, Illinois 60606
Phone: (312) 655-1511
Fax: (312) 655-1501